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Controller to Expedite Payments Held Up by Budget Stalemate

SACRAMENTO – State Controller John Chiang today sent a letter to State agencies and departments urging them to prioritize backlogged claims to ensure California nursing homes, day care operators, community colleges, small businesses and others that have suffered during this budget stalemate are first in line to be paid.

“This record-setting budget stalemate has been an enormous burden on so many small businesses and health care providers who care for our most vulnerable Californians – the sick, elderly, disabled, and children,” Chiang said. “I will quickly pay all backlogged claims and I am asking State agencies for their assistance to ensure that we get payments into the hands of those who most desperately need them as quickly as possible.”

Medi-Cal payments that have been withheld from nursing homes, hospitals, clinics and other health providers will be the first to be paid under an agreement finalized today with the California Department of Health Care Services (DHCS). The Controller will pay about \$3.6 billion in claims within 48 hours of the budget becoming law. The Governor has indicated he will sign the budget early next week.

In his letter, the Controller said that while the law allows him 15 days to review, process and pay standard claims, he intends to reduce that time to 7-10 days. To accomplish these goals, the Controller has redirected additional employees to assist in processing the estimated 80,000-plus claims that have gone unpaid since July 1.

A copy of the [letter](#) is available on the Controller’s website at sco.ca.gov.

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